STATUS OF CLAIMS

Claims 1 and 3-29 are pending.

Claims 1 and 3-29 stand rejected.

Claims 1, 3, 4, 7, 8, 15-18, and 21-22 have been amended, without prejudice or disclaimer.

Claim 29 is canceled, without prejudice or disclaimer.

REMARKS

Interview Summary

The undersigned thanks Examiner Karmis and Examiner Weis for the courtesy of a telephone interview conducted on March 10, 2009, with the undersigned and Attorney Edward J. Howard, Reg. No. 42,670.

The Section 101 rejection was discussed with reference to the Proposed Amendment forwarded to Examiner Weis on March 5, 2009. Agreement was reached that, with a change in the term "processor" to "computer," the language in the Proposed Amendment would overcome the rejection of claims 1 and 3-14 under Section 101. The present amendment tracks the Proposed Amendment, with the change from "processor" to "computer" in claims 1, 3, 4, 7 and 8. Agreement was further reached that the Proposed Amendment would overcome the rejections of claims 15-29 under Section 101. The present amendment tracks the amendments to claim 15 and certain dependent claims as set forth in the Proposed Amendment.

Claim 1 and the Facciani reference were discussed. No agreement was reached. The undersigned indicated that certain amendments might be introduced in a written response.

Claim Amendments

Claims 1, 3, 4, 7, 8, 15-18, and 21-22 have been amended to overcome the rejection under Section 101. Support for the amendments is found, for example, at Paragraphs [0031] to [0033] of the specification and Fig. 7. As agreed by the Examiners in the telephone interview of March 9, 2009, these amendments have overcome the rejection under Section 101.

Claim 1 has been amended to recite:

identifying by the computer a value of equity assets held in said portfolio account exclusive of equity assets held in life insurance policies;

determining by the computer whether one or more life insurance policies are included in said portfolio account, and, if one or more life insurance policies are included in said portfolio account, determining a value of equity assets in the one or more life insurance policies;

combining by the computer the value of the equity assets held in said portfolio account exclusive of equity assets held in life insurance policies and the value of the equity assets in the one or more life insurance policies to determine an asset balance associated with said portfolio account;

divesting a portion of said selected ones of said investment vehicles from the portfolio account when a dollar value of said asset balance exceeds a known relation imposed by banking regulation with regard to a dollar value of said liability balance until the dollar value of the portfolio account is within limits with regard to the known relation to the dollar value of said liability balance; and

Support for the limitations:

determining by the computer whether one or more life insurance policies are included in said portfolio account, and, if one or more life insurance policies are included in said portfolio account, determining a value of equity assets in the one or more life insurance policies;

combining by the computer the value of the equity assets held in said portfolio account exclusive of equity assets held in life insurance policies and the value of the equity assets in the one or more life insurance policies to determine an asset balance associated with said portfolio account;

may be found, for example, in Paragraph [0024] and Figure 5 of the application as originally filed as well as in U.S. Provisional Patent Application Serial No. 60/266,574, filed February 5, 2001, which application is incorporated by reference in Paragraph [0001] of the present application.

Support for the limitation "a known relation imposed by banking regulation" may be found, for example, in Paragraph [0025] ("The known relation may be set by regulatory limits…") and Paragraph [0004] ("the Office of the Controller of the Currency (OCC) altered the limitations of the Glass-Stegall Act to afford national banking institutions a limited ability to invest in stocks or equities to increase the value of portfolios used to finance certain employee benefit liabilities commensurate with the increase in the equity markets.")

Support for the limitations "a dollar value of said asset balance" and "a dollar value of said liability balance" may be found, for example in Paragraphs [0025] to [0030] and Figure 6.

Claim 15 has been amended similarly to claim 1.

Rejection of Claims 1 and 3-29 Under Section 101

As noted above, it was agreed during the telephone interview of March 9, 2009, that the present amendment overcomes the rejection of claims 1 and 3-29 under Section 101.

Rejection of Claims 1 and 3-29 Under Section 102(b) as Anticipated by U.S. Patent No. 5,999,917 (Facciani)

Claims 1 and 3-29 stand rejected under Section 102(b) as anticipated by U.S. Patent No. 5,999,917 (Facciani).

As to amended claim 1, the rejection is respectfully traversed.

Amended claim 1 reads as follows:

> 1. A computer method for conforming the value of elements of a portfolio account to known relation, said account receiving at least one deferred payment allocated among at least one fund category, each of said fund categories containing at least one investment vehicle, said method comprising the steps of:
>
> receiving by a computer from said account an allocation of liabilities associated with said at least one deferred payment allocated among at least a selected one of said at least one investment vehicles;
>
> identifying by the computer a liability balance comprising the step of: accumulating values of assets of the selected ones of said investment vehicles among each of said fund categories and said received liability allocation associated with the selected ones of said investment vehicles;
>
> identifying by the computer a value of equity assets held in said portfolio account exclusive of equity assets held in life insurance policies;
>
> determining by the computer whether one or more life insurance policies are included in said portfolio account, and, if one or more life insurance policies are included in said portfolio account, determining a value of equity assets in the one or more life insurance policies;
>
> combining by the computer the value of the equity assets held in said portfolio account exclusive of equity assets held in life insurance policies and the value of the equity assets in the one or more life insurance policies to determine an asset balance associated with said portfolio account;

> divesting a portion of said selected ones of said investment vehicles from the portfolio account when a dollar value of said asset balance exceeds a known relation imposed by banking regulation with regard to a dollar value of said liability balance until the dollar value of the portfolio account is within limits with regard to the known relation to the dollar value of said liability balance; and
>
> providing by the computer an indication when the value of elements of the portfolio account conform to said known relation.

Facciani lacks any teaching of at least the limitations

> determining by the computer whether one or more life insurance policies are included in said portfolio account, and, if one or more life insurance policies are included in said portfolio account, determining a value of equity assets in the one or more life insurance policies;
>
> combining by the computer the value of the equity assets held in said portfolio account exclusive of equity assets held in life insurance policies and the value of the equity assets in the one or more life insurance policies to determine an asset balance associated with said portfolio account;

Facciani does not disclose or suggest a step of determining whether one or more life insurance policies are included in the portfolio account, obtaining the value of the equity assets in the life insurance policies, and combining equity assets held in the portfolio account exclusive of life insurance policies and the value of equity assets in one or more life insurance policies to determine an asset balance. As detailed below, Facciani teaches defined contribution plans in which various equity assets are among the assets. A separate discussion, figure and process flow in Facciani relates to defined benefit plans in which life insurance policies are among the assets. Moreover, the discussion in Facciani of life insurance policies does not distinguish among equity assets and non-equity assets held in life insurance policies.

Facciani discusses determining asset values of defined contribution plans as follows, at col. 7, lines 2-20:

> The flowchart of FIG. 3 depicts one implementation of how the current assets are calculated in the computer system of the present invention for Defined Contribution plans. A first asset group is read in step 60 from a list of asset groups stored in a database 13 on the digital storage means 12. The asset manager is then

> contacted in step 62 to determine the present cash value of the assets (i.e., stocks, mutual funds, annuities) held by the plan sponsor which are linked to the first asset group. In step 64, the number of each type of investment is also read from the database 13. The number of units of each asset is multiplied by the corresponding unit value to create a value of the assets held. In the next step, step 68, the asset value stored in the database 13 is updated with the calculated value so that it can be compared with the corresponding liabilities of the asset group, as was explained for step 40. This process of updating and storing asset values for an asset group is performed for each uncalculated asset group if step 70 determines that some asset groups have not been updated.

Notably, while stocks, mutual funds and annuities are mentioned, life insurance policies are not. While annuities are a type of insurance contract, annuities are not life insurance policies. Moreover, no distinction is suggested between types of assets in which annuities may be invested.

In a discussion of a separate process flow referencing a different figure, Facciani discusses the use of life insurance policies in connection with defined benefit plans:

> The flowchart of FIG. 6 shows how the insurance policy asset values of an Elective Deferral Defined Benefit plan are updated in the present system. The computer contacts the asset manager of the Defined Benefit plan in step 110, and in step 112 requests the current cash values of insurance policies covering employees if the equity were to be removed on the current day. In step 114, the computer further requests the current cash value of each policy to determine the value of the policy if each employee were to die. Using the information of steps 112 and 114, the computer system generates an asset range in step 116 which indicates the immediate and potential values of the Defined Benefit plan based on the outstanding insurance policies held by the plan sponsors. The asset range is then stored in the database 13 so the asset value can be compared with the Defined Benefit Liability to determine if there is a mismatch in fund allocation.

Thus, Facciani teaches determining the asset values of life insurance policies, using an asset range, and comparing the dollar values to a liability amount. There is no reference to distinguishing between equity holdings and fixed income holdings within the life insurance policies. There is also no mention of adding equity holdings in life insurance policies to other equity holdings to determine an asset balance associated with a portfolio account, as recited in amended claim 1.

The foregoing reason constitutes sufficient grounds for withdrawal of the rejection of claim 1 under Section 102 based on Facciani. As further independent grounds for withdrawal of the rejection of claim 1 under Section 102 based on Facciani, amended claim 1 recites a known

relation imposed by banking regulation. Facciani does not even mention the terms "bank" or "banking," and so provides no disclosure of a known relation imposed by banking regulation.

As a still further independent ground for withdrawal of the rejection of claim 1 under Section 102 based on Facciani, amended claim 1 recites a known relation between dollar values of liabilities and dollar values of assets. Facciani teaches, referring to Fig. 5, and col. 7, lines 42-64, comparing percentage allocations of assets and liabilities, and determining whether those allocations are within a percentage benchmark, without reference to the dollar values held in the accounts. Indeed, Facciani teaches away from comparing dollar values between assets and liabilities (col. 7, lines 57-59). Thus, Facciani would be completely inappropriate for a known relation imposed by banking regulation, as banking regulations impose limits based on comparison of dollar values (see, e.g., specification, Paragraph [0026]), and not merely on percentage allocations.

For at least the foregoing reasons, Facciani fails to disclose each and every limitation of claim 1 as amended. Furthermore, Facciani does not provide any teaching, suggestion or motivation, nor could there be a convincing line of reasoning, that would render claim 1 as amended obvious to one of ordinary skill in the art in view of Facciani.

Accordingly, allowance of claim 1 is respectfully requested.

Claims 3-14 depend directly or indirectly from claim 1. The rejection of claims 3-14 should be withdrawn at least by virtue of their dependence from an allowable base claim.

Furthermore, as to claims 9-12, the known relation is recited to be specific relationships between asset values and liability values. In contrast, Facciani employs either percentage benchmarks (see Fig. 5 and col. 7, lines 52-57) for defined contribution plans or a dollar value benchmark for insurance policies in defined benefit plans (see Fig. 8 and col. 8, lines 52-57). For this additional reason, the rejection of claims 9-12 should be withdrawn.

Claim 15 has been amended similarly to claim 1, and the rejection of claim 15 should be withdrawn for at least the same reasons as the rejection of claim 1.

Claims 16-28 depend directly or indirectly from claim 15. The rejection of claims 16-28 should be withdrawn at least by virtue of their dependence from allowable base claim 15.

Claims 23-26 have limitations similar to those of claims 9-12. Accordingly, for the same additional reason set forth above with respect to claims 9-12, the rejection of claims 23-26 should be withdrawn.

CONCLUSION

Applicant believes he has addressed all outstanding grounds raised in the outstanding Office action, and respectfully submits the present case is in condition for allowance, early notification of which is earnestly solicited.

Respectfully submitted,

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